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GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING

MARIANNE UDOW  
DIRECTOR

Junly 9, 2007

The Honorable Bill Hardiman, Chair  
Senate Appropriations Subcommittee on DHS  
Michigan State Senate  
Lansing, Michigan 48933

The Honorable Dudley Spade, Chair  
House Appropriations Subcommittee on DHS  
Michigan House of Representatives  
Lansing, Michigan 48933

Dear Senator Hardiman and Representative Spade:

Section 902(3) of 2006 Public Act No. 345 requires the Department of Human Services (DHS) to submit quarterly reports to the Legislature on expenditures and improvements made as a result of this section of the appropriations act.

Please accept this letter as the DHS's second quarterly report for fiscal year 2007. A total of \$2,300,000 of Michigan Arrearage Collection Special Project funding was carried forward, as an authorized work project, into fiscal year 2007 to continue Michigan Child Support Enforcement System (MiCSES) improvements. In the second quarter of FY2007, \$1,800,000 of these funds was spent on improvements to MiCSES. The improvements included the following:

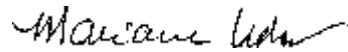
1. Improvements to interstate case processing.
2. Implementation of user friendly and additional automated document generation capabilities.
3. Various automated case management and case processing improvements.
4. Customized caseload reassignment by judge.
5. Additional modifications to federal reports.
6. Improvements to the child support interface with LEIN.
7. Various improvements to automating MiCSES nightly batch processing.
8. Various modifications to financial processes, calculations and reports.

9. Modifications to the tracking and reporting of family violence disclosure indicators.

To improve child support collections, DHS continues to work on project details with Public Consulting Group (PCG) and the Friend of the Court to finalize the pilot project. This project will be operated in one county initially and will focus on cases that have not received a payment in over 90 days. These cases will be referred to PCG for collection activities. Payments to PCG will be based on the amount of increase in TANF recoveries generated through this pilot. Once the pilot is completed, an evaluation of the project will determine what changes, if any, are necessary and if the project should be expanded.

If you have any questions, please contact John Sorbet, chief administrative officer, DHS, at (517) 373-7787.

Sincerely,



Marianne Udow

Attachments

C: Senate and House Appropriations Subcommittee on DHS  
Senate and House Fiscal Agencies  
Senate and House Policy Offices  
State Budget Office